

Online Claim Filing Kit

Michigan Unemployment Insurance Agency

“Online, On The Phone, In Person”



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LICENSING AND REGULATORY AFFAIRS
CUSTOMER DRIVEN. BUSINESS MINDED.

Ways To Contact UIA

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State of Michigan
Department of Licensing And Regulatory Affairs
Unemployment Insurance Agency (UIA)



WAYS TO CONTACT UIA

VISIT OUR WEBSITE

www.michigan.gov/uia

USE THE MICHIGAN WEB ACCOUNT MANAGER (MiWAM)

You can sign up for a web account with UIA. This will allow you to perform routine transactions such as filing claims, certifying for benefits, viewing correspondence, and updating your unemployment claim information online. The system is accessible 24 hours a day, six days a week, Monday through Saturday. Go to the website address above and click on the MiWAM logo to register as a new user or access your existing account. First time users will need to click on "Sign Up for Claimant Online Services".

CALL UIA

Call **1-866-500-0017**, Monday – Friday, 8:00 a.m. to 4:30 p.m. Eastern Time (ET), and choose the option to speak to a customer service representative. If you need a Spanish-speaking representative, wait until you hear this option in Spanish. For all other languages, the customer service representative will connect you to a translator for assistance. If you are hearing impaired, TTY service is available at **1-866-366-0004**.

FAX UIA

FAX your responses to Agency forms or correspondence to the FAX number on the form. Protests or any other correspondence, should be faxed to **1-517-636-0427**. Appeals should be faxed to **1-616-356-0739**. **Please include your name, Social Security number, signature, and date on all correspondence.** Make a copy for yourself. Print and keep confirmation showing your FAX was received.

WRITE UIA

Mail your responses to Agency forms or correspondence to the address on the form. Protests, appeals or any other correspondence, should be mailed to the Unemployment Insurance Agency at one of the addresses below. **Please Include your name, Social Security Number, signature, and date on all correspondence.** Make a copy for yourself.

Protests: Unemployment Insurance Agency
P.O. Box 169
Grand Rapids, MI 49501-0169

Appeals only: Unemployment Insurance Agency
P.O. Box 124
Grand Rapids, MI 49501-0124

MARVIN TOLL-FREE LINE: 1-866-638-3993

The UIA automated telephone system you call every other week to claim (report for) unemployment benefit payments. Instead of calling MARVIN, you may use MiWAM at www.michigan.gov/uia and click on the "MiWAM logo" and then chose the online service option to report (certify) for your benefit payments.

FRAUD HOTLINE TOLL-FREE LINE:

Report suspected unemployment insurance fraud at www.michigan.gov/uia and "Report Fraud". Complete the 2-minute form or call the toll-free Fraud Hotline at **1-855-842-7463 (UI-CRIME)** or go through MiWAM. The line is available 24 hours a day.

CALL EMPLOYER FILED CLAIMS TOLL-FREE

at **1-866-845-0077**, Monday-Friday 8:00 a.m. to 4:30 p.m., ET or, call the Inquiry Line at **1-866-500-0017**, Monday–Friday, 8:00 a.m. to 4:30 p.m., ET, and choose the option to speak to a customer service representative.



State of Michigan
Department of Licensing And Regulatory Affairs
Unemployment Insurance Agency (UIA)



PROBLEM RESOLUTION OFFICES Open for walk-in customers.	
METRO DETROIT	Detroit – 3024 W Grand Blvd, Cadillac Place, Suite L-385, Detroit, MI 48202 Monday through Friday, 8:00 a.m. until 4:00 p.m. Mt. Clemens – Macomb County Department of Human Services (DHS), 21885 Dunham Rd., Suite 7, Clinton Township, MI 48036 Monday through Friday, 8:00 a.m. until 4:00 p.m.
TRI-CITIES	Saginaw – 4901 Towne Center, 1st Floor, Suite 103, Saginaw, MI 48604 Monday through Friday, 8:00 a.m. until 4:00 p.m.
WEST MICHIGAN	Benton Harbor – 401 8th St., Benton Harbor, MI 49022 Monday through Friday, 8:00 a.m. until 4:00 p.m. Grand Rapids – 3391 Plainfield, NE, Grand Rapids, MI 49525 Monday through Friday, 8:00 a.m. until 4:00 p.m. Kalamazoo – 1601 South Burdick St., Kalamazoo, MI 49007 Monday through Friday, 8:00 a.m. until 4:00 p.m. Muskegon – Muskegon County DHS, 2700 Baker St., Muskegon Heights, MI 49444 Monday through Friday, 8:00 a.m. until 4:00 p.m.
MID-MICHIGAN	Lansing – 5015 S. Cedar at Jolly (in the Jolly-Cedar Plaza), Lansing, MI 48910 Monday through Friday, 8:00 a.m. until 4:00 p.m.
NORTHERN MICHIGAN	Alpena – 315 West Chisholm, Alpena, MI 49707 Monday, Tuesday, Wednesday and Friday, 8:00 a.m. until 4:00 p.m. Thursday, 9:00 a.m. until 4:00 p.m. Gaylord – 931 Otsego Ave., Gaylord, MI 49735-1783 Monday through Friday, 8:00 a.m. until 4:00 p.m. Traverse City – 1209 South Garfield Ave., Suite C, Traverse City, MI 49686 Monday through Friday, 8:00 a.m. until 4:00 p.m.
UPPER PENINSULA	Hancock – 110 East Quincy St., Hancock, MI 49930-2138 Monday, Wednesday, Thursday, Friday, 8:00 until 4:00 p.m. Marquette – 2833 U.S. 41 West (across from Westwood Mall) Marquette, MI 49855 Monday through Friday, 8:00 a.m. until 4:00 p.m. Ontonagon - 429 River St., Ontonagon, MI 49953 Tuesday, 9:00 a.m. until 3:00 p.m. Sault Ste. Marie – 1118 East Easterday Ave., Sault Ste. Marie, MI 49783 Monday through Friday, 8:00 a.m. until 4:00 p.m.

NEW

The MiWAM Toolkit for Claimants can be found on the UIA website at www.michigan.gov/uia. Viewing this website will show detailed instructions on how to complete a new web account or how to get to your current web account. It also contains other helpful information about MiWAM. Just click on the MiWAM logo.



Cadillac Place • 3024 West Grand Boulevard
Detroit, Michigan 48202
www.michigan.gov/uia

Unemployment Insurance Agency

FACT SHEET

State of Michigan • Department of Licensing and Regulatory Affairs

FACT SHEET #160 FEBRUARY 2014

CLAIMING UNEMPLOYMENT BENEFITS IN MICHIGAN

If you become unemployed, you may qualify for unemployment insurance benefits. These benefits are intended to provide temporary income as you seek new employment. To be eligible for unemployment benefits, you must be unemployed and able to, available for, and actively seeking suitable full-time work.

Filing for and Receiving Benefits: Michigan's 4-Step Process

A claim for unemployment benefits begins the week it is filed. Therefore, you should file your claim for during your first week of unemployment.

STEP 1: File a Claim

Information Needed to File A Claim:

1. Your social security number,
2. Your state issued driver's license or ID card number or your MARVIN PIN (if you have one),
3. The names and addresses of employers you worked for during the past 18 months along with your quarterly gross earnings,
4. The last date of employment with each employer.
5. Your most recent employer's Unemployment Insurance Agency (UIA) account number or Federal ID number (especially if you have **not** filed a claim within the last three years or have been employed for less than six months). Depending on your situation, knowing the account number may speed up the processing of your claim (*UIA Administrative Rule 421.204(3)(a) requires the employer's UIA account number be given to employees and the employer's Federal ID number appears on your annual W-2 form*).
6. If you are **not** a U.S. citizen or national, you will need your Alien Registration number and the expiration date of your work authorization.

For a detailed worksheet of what you need to file a claim, visit UIA's website, click on the "FORMS" option from the upper left menu, and select [Form UIA 1538 - What You Need To File An Unemployment Claim](#).

There are two ways in which to file a new claim or re-open an existing claim:

1. Michigan Web Account Manager (MiWAM) – Visit the UIA website at www.michigan.gov to file a claim and set up your online account anytime – 24 hours a day, seven days a week. Click on "Michigan Web Account Manager for Claimants and Employers" If you need a computer with Internet access, visit your local public library as most have computers with Internet connections available for public use.
2. Telephone – Call the UIA at 1-866-500-0017 to file your claim. When to call: When filing for unemployment benefits by phone, use the schedule below, which is based on the last four digits of your Social Security Number.

Time	Mon	Tues	Wed	Thurs & Fri
8:00 a.m. – 12:00 p.m.	00-15	34-48	67-81	Open call-in
12:30 p.m. – 4:30 p.m.	16-33	49-66	82-99	Open call-in

When you apply for benefits, you can choose to receive your benefits through either a debit card or by direct deposit to your bank account. Once the claim is successfully entered online or by phone, you will be given a confirmation number.

STEP 2: Register for Work

After the claim is filed, applicants must register for work to be eligible for unemployment benefits. To register, you must create an account and profile with Pure Michigan Talent Connect no later than three days before your first contact to report for benefits (see Step 4). Create your profile online at www.mitalent.org or by visiting a *Michigan Works!* Agency service (MWA) center. Even if you create your profile online, you must also report in person to an MWA service center to have your profile validated. To locate the nearest *Michigan Works!* Agency office, please visit www.michiganworks.org.

STEP 3: Search for Work

The UIA requires all claimants who begin a claim for benefits after January 6, 2013, to conduct a sustained work search for each week they claim unemployment benefits. As a claimant, you must report your record of work search at least once a month using one of the following methods:

- Submit information online at www.michigan.gov/uia. Click on UIA Online Services for Unemployed Workers
- Submit form UIA 1583, Monthly Record of Work Search, via mail or fax
- Appear at a Michigan Works Agency location to file a work search form.

STEP 4: Report to MARVIN by Phone or Report Online to Receive Benefits

In order to receive your benefits, you must report biweekly by calling MARVIN at 1-866-638-3993 or report via your online web account. MARVIN is the Agency's automated benefit payment system. You will use MARVIN to certify that you are eligible for payment by answering eligibility questions, such as if you are able, available, and looking for work and whether or not you have earnings during the two-week period for which you are reporting. Contact MARVIN by phone on your appointed day and time (provided in your claimant handbook) on Monday through Wednesday during this week. If you are unable to contact MARVIN at your scheduled time, you can try again anytime from Thursday- Saturday between 7:00 AM and 8:00 PM.

You may report online through your MiWAM account 24 hours a day, Monday through Saturday at www.michigan.gov/uia. If you do not have a MiWAM account, sign up for one at www.michigan.gov/uia. Click on Michigan Web Account Manager for Claimants and Employers. For instructions on how to sign up for a MiWAM account, click on MiWAM Toolkit for Claimants.

Additional Information

Once you file your new claim, you will be mailed:

- A determination showing if you qualify based on the wages you have earned, the amount of weekly benefits and the number of weeks you may receive.
- If there is an eligibility issue with your claim, you will receive a separate notice
- A booklet with detailed information about your rights and responsibilities for unemployment benefits, unless you have chosen to view the booklet online. ***Please read this material carefully.***

Qualifying requirements – The UIA will look at your **standard base period** to determine if your wages qualify you for unemployment benefits. The standard base period includes the first four of the last five completed calendar quarters prior to when you filed your claim. The four calendar quarters in a year are: January – March; April – June; July – September; and October – December.

If you cannot qualify based on your standard base period, the UIA will consider your wages in the **“alternate” base period**, which is the four most recently completed calendar quarters.

There are two ways in which your wages may qualify you for unemployment benefits:

- “Regular” qualifying method: a) for benefit years beginning January 4, 2009, and after, you must have wages in at least two quarters in your base period. In one quarter, your wages must be at least \$2,871; and b) total wages for all four quarters must equal at least one and a half times the highest amount of wages paid in any quarter of the base period. ($\$2,871 \times 1.5 = \$4,306.50$)

OR

- **Alternate Earnings Qualifier (AEQ):** (a) You must have wages in at least two quarters; and (b) total wages for all four quarters must equal at least 20 times the state average weekly wage (SAWW). For 2014, the AEQ amount is **\$17,868** [20 x \$893.44 (SAWW) = \$17,868].

Benefit Duration

State unemployment benefits are usually limited to a maximum of up to 20 weeks. In 2013, there is currently one active federal unemployment extension program in Michigan: Emergency Unemployment Compensation (EUC). The EUC program provides federally-funded extended unemployment benefits in all states and is based on the state's unemployment rate. The EUC program will expire with the week ending December 28, 2013.

Benefit Amount

Your quarterly wages largely determines the amount of your unemployment benefits. The amount you receive in unemployment benefits is calculated by multiplying the highest amount of wages paid to you in any base period quarter by 4.1%. The UIA adds \$6 for each dependent you claim, up to five dependents. According to State law, a worker can receive no more than \$362 per week.

To determine how many weeks of benefits you may receive, UIA multiplies your total base period wages by 43%, and then divides that number by your weekly benefit amount. The claim, however, cannot be less than 14 weeks or more than 20.

Receiving unemployment benefits while working – In some cases, you can accept part-time work while receiving unemployment benefits. However, your work must be less than full-time, and your benefits will be reduced according to *how much you earn in the week for which you are claiming benefits*.

There are three basic principles that affect how much you can earn while receiving unemployment benefits: **(1)** if your wages are equal to or less than your weekly benefit amount, then your benefits are reduced by 40 cents for every dollar you earn; **(2)** if your wages exceed your weekly benefit amount, but are less than 1.6 times your benefit amount, then your total wages are subtracted from 1.6 times your weekly benefit amount; and **(3)** the combination of your weekly benefits and wages cannot exceed 1.6 times your weekly benefit amount.

A point to remember: The number of benefit weeks remaining on your claim will be reduced by one full week for each week you receive *any* benefit payment.

For more information -- For general information about unemployment benefits, visit our website at www.michigan.gov/uia. If you have a question or problem with your claim you can submit an inquiry online through your MiWAM account. You may also inquire about the claim by calling our toll-free customer service line at **1-866-500-0017** and selecting Option 3. For in-person assistance, you may visit one of UIA's 15 Problem Resolution Office located throughout the state. Find a list of locations at www.michigan.gov/uia.

EMPLOYER HOTLINE ANSWERS QUESTIONS: UIA has established a telephone hotline for *only* employers to call if they have tax or benefit questions. Employers can call the toll-free number at **1-800-638-3994** weekdays from 8:00 a.m. to 5:00 p.m.



Cadillac Place • 3024 West Grand Boulevard
Detroit, Michigan 48202
www.michigan.gov/uia

Unemployment Insurance Agency

FACT SHEET

State of Michigan • Department of Licensing and Regulatory Affairs

FACT SHEET #119 JUNE 2014

Electronic Payment Options for Receiving Unemployment Benefits

The Unemployment Insurance Agency (UIA) has two options for receiving unemployment benefit payments. Unemployed workers may select how if want to receive their benefits through the Michigan UI Debit Card or through Direct Deposit into their savings or checking account. When a worker applies for unemployment benefits, whether by telephone, at 1-866-500-0017, or online at www.michigan.gov/uia, they will be asked to select their benefit payment option.

Advantages of direct deposit and debit card

These two benefit payment options are faster, more secure and a convenient alternative to paper checks. They also eliminate the worry about mail delays as the benefits are electronically deposited into the individual's bank account or added to their debit card.

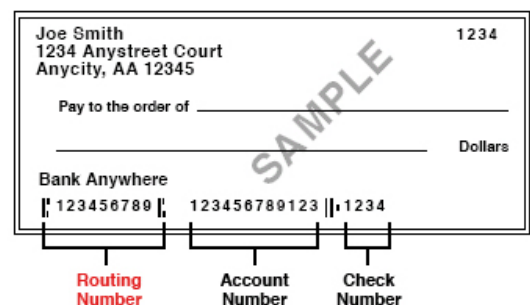
The debit card will be issued or the direct deposit option will be established once UIA issues a monetary determination. Funds will be added to the worker's Michigan UI Debit Card or deposited into the individual's bank or credit union account within two or three days after they have made their biweekly eligibility certification either through UIA's MARVIN system by telephone, or online through the Michigan Web Account Manager (MiWAM), if they have been determined to be eligible.

Individuals are not locked into one payment method for the duration of their claims. They can change their benefit payment method by calling UIA's toll-free claims line at **1-866-500-0017**, and selecting **Option #3**. Workers can also change their payment option online through MiWAM. Customers may log in or establish a MiWAM account at www.michigan.gov/uia.

Direct Deposit

In order to use the direct deposit option, individuals must have an existing account with a U.S. financial institution. Through direct deposit, the individual can have his or her unemployment benefits deposited into either a checking or savings account.

When selecting direct deposit as their payment option, individuals will need their bank or credit union's nine-digit routing number and their account number. The sample check points out where these numbers are located on a person's personal check.



Once the Direct Deposit option is set up, a worker's unemployment benefits will be electronically deposited into his/her checking or savings account.

Debit Card

UIA is partnering with Bank of America to provide debit card services. The debit card can be used to:



- Purchase goods and everywhere debit MasterCard is accepted.
- Withdraw funds at thousands of ATMs and from tellers at any bank or credit union that accepts MasterCard. To locate a MasterCard ATM, visit www.bankofamerica.com/miuiadebitcard.

There may be fees and surcharges associated with the use of the debit card. Those selecting the cards will be advised of those charges when they receive their card.

Some prepaid card transactions may be handled differently such as paying at the gas pump, restaurants, hotels, auto rentals, and returns. Some purchases may cause a temporary hold on funds (up to \$100 at a gas pump), some merchants may require a credit card to accompany your purchase and others may require verification of your card balance before processing a prepaid debit card transaction. More details on these special transactions are provided in the materials that come with your card.

Debit card withdrawals from ATMs are limited to \$1,000 per day in an effort to protect cardholders against fraudulent transactions.

Cardholders cannot make deposits or add funds to their Michigan UI Debit Card. In addition, no line of credit is attached to the UI debit card.

The Michigan UI Debit Card will be automatically issued to individuals who do not select a benefit payment option. The card does not expire for three years. Claimants should keep the card for use with possible future claims. When a card expires, Bank of America will send a new card, if necessary.

Customer support

Those who choose to use the Michigan UI Debit Card for their unemployment benefit payments should contact Bank of America with any questions or issues they may have with their card. Bank of America will provide customer support to individuals online at www.bankofamerica.com/miuiadebitcard, and by phone, toll-free at **1-866-436-1964 (for TTY call 1-866-656-5913)** for such things as:

- Account balances
- Recent transactions
- Lost, stolen, or damaged cards
- PIN change

Those who decide to use **direct deposit** should contact their financial institution with their questions.

Unemployed workers with questions about their unemployment benefits can contact the Unemployment Insurance Agency by dialing its toll-free number **1-866-500-0017**.



Introducing MiWAM!

**You can manage your own UIA account online,
with the Michigan Web Account Manager (MIWAM).**

With MiWAM you can

- Check your claim balance and benefit payment history
- Report for unemployment benefits anytime during your week to certify
- Update your personal information
- Choose or change your payment method (debit card or direct deposit)
- Submit an inquiry for an email response
- . . . and much more

***No waiting on hold; no waiting in line – just fast,
convenient, online service.***

- 1** Visit www.michigan.gov/uia
- 2** Click on Michigan Web Account Manager for claimants and employers
- 3** Create your online account
- 4** Begin managing your account!

***For step by step instructions on how to use MiWAM,
click on MiWAM Toolkit for Claimants***



UNEMPLOYMENT INSURANCE AGENCY

Michigan Web Account Manager

Go online with MiWAM from your home, local library or UIA Problem Resolution Office! No Lines! No Waiting!

Establishing Your Account

- Go to **www.michigan.gov/uia** and select "Michigan Web Account Manager for Claimants and Employers"
- Follow the screen instructions
- You will be given immediate access to your account

Using MiWAM to Claim Benefits

- An alternative to calling MARVIN (Michigan's Automated Response Voice Interactive Network)
- Fast, easy access
- Asks the same questions as MARVIN by phone
- Requires the same MARVIN PIN (Personal Identification Number)
- Available in English and Spanish

Communicating with the Agency

- Submit an inquiry and receive a response from Customer Service through your account, including status of an issue

For more information:

Call UIA Customer Service at 1-866-500-0017

It's FREE . . . Sign up Today!

www.michigan.gov/uia



LARA is an equal opportunity employer/program. Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.

State of Michigan, Department of Licensing and Regulatory Affairs, Unemployment Insurance Agency





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Unemployment Insurance Agency

FACT SHEET

State of Michigan • Department of Licensing and Regulatory Affairs

FACT SHEET #145 FEBRUARY 2014

What is Suitable Work?

Michigan's unemployment insurance law requires individuals collecting unemployment benefits to seek full-time suitable work and accept an offer of suitable work. In deciding whether full-time or part-time work is "suitable," the law considers the following criteria:

- Prior earnings
- Length of unemployment
- Prior training and work experience
- Distance of the offered work to the worker's place of residence
- The degree of risk involved to the worker's safety and health

During the first half of a worker's weeks of unemployment benefit payments, the worker is required to accept any suitable work offer if the pay is at least 70% of his or her last gross pay in addition to the above criteria.

After collecting half (50%) of the worker's entitled weeks, an unemployed worker must apply for, and accept work that is outside of his or her past training and experience if the pay is at least:

1. 120% of his or her weekly benefit amount (WBA);
2. the average wage for the particular work in the locality where the work is offered; and
3. the state minimum hourly wage (currently \$7.40 an hour).

The law says that if a worker refuses an offer of suitable work, without good cause, the worker may be disqualified from receiving unemployment benefits.

A job is unsuitable if it is vacant due to a labor dispute, if it pays less than the usual wage for that job in the area, or if a worker would be required to join, resign from, or refrain from joining, a union.

How Does the UIA Determine Average Wage Information?

State law requires the UIA to use an online database published by the state. The UIA uses a database published by the Department of Technology, Management, and Budget (DTMB) to determine average hourly and average annual wage information for a specified occupation or job title within a geographic area. This searchable Internet database is available to the public at: <http://milmi.org/cgi/dataanalysis/AreaSelection.asp?tableName=Oeswage>

The following are some examples of refusal of suitable work situations:

Example 1: Suitable Work During the First Half of Benefits

An unemployed electrical engineer files for benefits after being laid off from a manufacturing company. She receives a determination entitling her to 20 weeks of benefits at a weekly benefit amount of \$362. The unemployed worker has a degree in engineering and is diligently seeking suitable, full-time work while collecting benefits. After collecting 8 weeks of unemployment benefits, she is offered a full-time job as an engineer near her place of residence with a work commute of 10 miles. The pay offered is at a gross wage of \$42,000 per year. Her gross wage at her last employer was \$60,000 per year.

Is this Considered Suitable Work?

The work offer is consistent with her past training and work experience and is near her home. The pay offer is at least 70% of her last gross wage (\$60,000 x .70 = \$42,000). Unless one of the other criteria prevents this job from being suitable, such as a risk to her health or safety, the work offered is suitable.

Example 2: Suitable Work After Collecting Half of Benefits

An unemployed medical assistant files for unemployment benefits in March of 2012 after being laid off from a local hospital. He receives a determination entitling him to 20 weeks of benefits at a weekly benefit amount of \$324. He has previous training in the medical field and is certified as a medical assistant with prior work experience as a waiter. After collecting 14 weeks of unemployment benefits, he is offered a part-time job working 25 hours per week as a word processor at an insurance company near his home in Detroit. The offered wage is \$16 per hour.

Is this Considered Suitable Work?

Since he collected half of his benefits, he must accept any work offer, regardless of his prior work experience and training as a medical assistant, if the work pays a gross amount of at least 120% of his weekly benefit amount, is the average wage in the locality of the type of work offered, **and** is at least the state minimum hourly wage (currently \$7.40 an hour). In this example, the hourly pay offer exceeds the state minimum hourly wage and the gross pay is greater than 120% of his weekly benefit amount. See below for calculations.

- **Gross Wages Per Week Offered** = 25 hours of work x \$16 per hour = \$400 per week
- **Weekly Benefit Amount (WBA)** = \$324
- **120% of WBA** = \$324 x 1.20 = \$388.80 rounded down to \$388.
- \$400 gross earnings offered per week is greater than \$388, which is 120% of his WBA

However, to be suitable work, the pay offer must also be the average wage for the type of work in the location where the work is offered. In this example, the unemployed individual was offered work as a word processor in Detroit. Using the DTMB online database explained earlier, the most recent average hourly wage for a word processor in the Detroit Metropolitan Statistical Area is \$17.60. Since the pay offer is less than the average hourly wage in the locality, the work offer would be unsuitable and he may continue to collect benefits if it is determined that he is not disqualified.

Protesting or Appealing a Disqualification Decision

If you have received a determination disqualifying you from benefits due to your refusal of suitable work, you may protest or appeal the (re)determination within 30 days of the mail date on the (re)determination. During an appeal hearing, the employer must prove that a specific offer of work was made to you and that it was suitable. On the other hand, you will have to prove that the offer was not received, or you may have to show why the work was unsuitable, or you may have to explain that you had good cause for refusing the work.



Cadillac Place • 3024 West Grand Boulevard
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Unemployment Insurance Agency

FACT SHEET

State of Michigan • Department of Licensing and Regulatory Affairs

FACT SHEET #125 FEBRUARY 2014

How Severance Pay Affects Unemployment Benefits

Defining Severance Pay

Severance pay is a payment made by the employer when the employee is separated from the job. Previously severance pay was not used to determine a worker's eligibility for unemployment benefits. With the passing of new legislation, severance pay will now be considered as income when calculating a worker's eligibility for benefits.

How Severance Pay Can Affect a Worker's Unemployment Benefit

The severance payment, like any other kind of "remuneration," will reduce unemployment benefits otherwise payable in the weeks to which the severance payment is allocated or distributed. If the payment is not allocated to a specific week or weeks by contract or by the employer, then the reduction in unemployment benefits will occur only in the week in which the severance payment is actually made.

Depending on the amount of severance pay, a worker's unemployment benefits can be affected in the following ways:

- If the severance payment attributed to a week equals or exceeds 1.6 times the worker's weekly benefit amount, then the unemployed worker is **not** entitled to any unemployment benefits for the week.
- If the worker's severance payment is greater than his/her weekly benefit amount but less than 1.6 times the weekly benefit amount, then the full amount of the severance payment is subtracted from 1.6 times the worker's weekly benefit amount. (The balance of weeks remaining on the unemployed worker's claim will be reduced by one week, if the worker claims benefits for that week.)
- If the severance payment is equal to, or less than, the worker's weekly benefit amount, then the claimant's weekly benefit amount will be reduced by 40 cents for each dollar of the total severance payment amount. (The balance of weeks remaining on the unemployed worker's claim will be reduced by one week if the unemployed worker claims that week.)

How Lump Sum and Salary Continuation Payments Affect Unemployment Benefits

In some cases, the employer may make a lump sum severance payment when the worker is separated from a job. If the employer allocates the severance payment to a week or weeks other than the week in which the payment is made, then the worker's weekly unemployment benefits will be reduced in each claimed week to which the severance payment is allocated.

If the employer makes a lump sum severance payment but does not allocate that severance payment to a week or weeks, then the severance payment will reduce the unemployment benefits only in the week in which the lump sum severance payment is made.

If the employer makes weekly or monthly severance payments (sometimes referred to as salary- or wage-continuation payments), then the severance payment will be used to reduce unemployment benefits in the week in which the severance is paid, unless the employer allocates the severance payments to other weeks.



CALENDAR

2012								Wk. No.
	S	M	T	W	Th	F	S	
J A N	1	2	3	4	5	6	7	1
	8	9	10	11	12	13	14	2
	15	16	17	18	19	20	21	3
	22	23	24	25	26	27	28	4
	29	30	31	1	2	3	4	5
F E B	5	6	7	8	9	10	11	6
	12	13	14	15	16	17	18	
	19	20	21	22	23	24	25	8
	26	27	28	29	1	2	3	9
M A R	4	5	6	7	8	9	10	10
	11	12	13	14	15	16	17	11
	18	19	20	21	22	23	24	12
	25	26	27	28	29	30	31	13
A P R	1	2	3	4	5	6	7	14
	8	9	10	11	12	13	14	15
	15	16	17	18	19	20	21	16
	22	23	24	25	26	27	28	17
	29	30	1	2	3	4	5	18
M A Y	6	7	8	9	10	11	12	19
	13	14	15	16	17	18	19	20
	20	21	22	23	24	25	26	21
	27	28	29	30	31	1	2	22
	3	4	5	6	7	8	9	23
J U N	10	11	12	13	14	15	16	24
	17	18	19	20	21	22	23	25
	24	25	26	27	28	29	30	26
	1	2	3	4	5	6	7	27
J U L	8	9	10	11	12	13	14	28
	15	16	17	18	19	20	21	29
	22	23	24	25	26	27	28	30
	29	30	31	1	2	3	4	31
	5	6	7	8	9	10	11	32
A U G	12	13	14	15	16	17	18	33
	19	20	21	22	23	24	25	34
	26	27	28	29	30	31	1	35
	2	3	4	5	6	7	8	36
S E P T	9	10	11	12	13	14	15	37
	16	17	18	19	20	21	22	38
	23	24	25	26	27	28	29	39
	30	1	2	3	4	5	6	40
	7	8	9	10	11	12	13	41
O C T	14	15	16	17	18	19	20	42
	21	22	23	24	25	26	27	43
	28	29	30	31	1	2	3	44
	4	5	6	7	8	9	10	45
N O V	11	12	13	14	15	16	17	46
	18	19	20	21	22	23	24	47
	25	26	27	28	29	30	1	48
	2	3	4	5	6	7	8	49
	9	10	11	12	13	14	15	50
D E C	16	17	18	19	20	21	22	51
	23	24	25	26	27	28	29	52

2013								
	S	M	T	W	Th	F	S	
JAN	30	31	1	2	3	4	5	1
	6	7	8	9	10	11	12	2
	13	14	15	16	17	18	19	3
	20	21	22	23	24	25	26	4
	27	28	29	30	31	1	2	5
FEB	3	4	5	6	7	8	9	6
	10	11	12	13	14	15	16	7
	17	18	19	20	21	22	23	8
	24	25	26	27	28	1	2	9
MAR	3	4	5	6	7	8	9	10
	10	11	12	13	14	15	16	11
	17	18	19	20	21	22	23	12
	24	25	26	27	28	29	30	13
	31	1	2	3	4	5	6	14
APR	7	8	9	10	11	12	13	15
	14	15	16	17	18	19	20	16
	21	22	23	24	25	26	27	17
	28	29	30	1	2	3	4	18
MAY	5	6	7	8	9	10	11	19
	12	13	14	15	16	17	18	20
	19	20	21	22	23	24	25	21
	26	27	28	29	30	31	1	22
	2	3	4	5	6	7	8	23
JUN	9	10	11	12	13	14	15	24
	16	17	18	19	20	21	22	25
	23	24	25	26	27	28	29	26
	30	1	2	3	4	5	6	27
	7	8	9	10	11	12	13	28
JUL	14	15	16	17	18	19	20	29
	21	22	23	24	25	26	27	30
	28	29	30	31	1	2	3	31
	4	5	6	7	8	9	10	32
	11	12	13	14	15	16	17	33
AUG	18	19	20	21	22	23	24	34
	25	26	27	28	29	30	31	35
	1	2	3	4	5	6	7	36
	8	9	10	11	12	13	14	37
SEPT	15	16	17	18	19	20	21	38
	22	23	24	25	26	27	28	39
	29	30	1	2	3	4	5	40
	6	7	8	9	10	11	12	41
	13	14	15	16	17	18	19	42
OCT	20	21	22	23	24	25	26	43
	27	28	29	30	31	1	2	44
	3	4	5	6	7	8	9	45
	10	11	12	13	14	15	16	46
NOV	17	18	19	20	21	22	23	47
	24	25	26	27	28	29	30	48
	1	2	3	4	5	6	7	49
	8	9	10	11	12	13	14	50
DEC	15	16	17	18	19	20	21	51
	22	23	24	25	26	27	28	52

2014								
	S	M	T	W	Th	F	S	
JAN	29	30	31	1	2	3	4	1
	5	6	7	8	9	10	11	2
	12	13	14	15	16	17	18	3
	19	20	21	22	23	24	25	4
	26	27	28	29	30	31	1	5
FEB	2	3	4	5	6	7	8	6
	9	10	11	12	13	14	15	7
	16	17	18	19	20	21	22	8
	23	24	25	26	27	28	1	9
MAR	2	3	4	5	6	7	8	10
	9	10	11	12	13	14	15	11
	16	17	18	19	20	21	22	12
	23	24	25	26	27	28	29	13
	30	31	1	2	3	4	5	14
APR	6	7	8	9	10	11	12	15
	13	14	15	16	17	18	19	16
	20	21	22	23	24	25	26	17
	27	28	29	30	1	2	3	18
MAY	4	5	6	7	8	9	10	19
	11	12	13	14	15	16	17	20
	18	19	20	21	22	23	24	21
	25	26	27	28	29	30	31	22
	1	2	3	4	5	6	7	23
JUN	8	9	10	11	12	13	14	24
	15	16	17	18	19	20	21	25
	22	23	24	25	26	27	28	26
	29	30	1	2	3	4	5	27
	6	7	8	9	10	11	12	28
JUL	13	14	15	16	17	18	19	29
	20	21	22	23	24	25	26	30
	27	28	29	30	31	1	2	31
	3	4	5	6	7	8	9	32
	10	11	12	13	14	15	16	33
AUG	17	18	19	20	21	22	23	34
	24	25	26	27	28	29	30	35
	31	1	2	3	4	5	6	36
	7	8	9	10	11	12	13	37
	14	15	16	17	18	19	20	38
SEPT	21	22	23	24	25	26	27	39
	28	29	30	1	2	3	4	40
	5	6	7	8	9	10	11	41
	12	13	14	15	16	17	18	42
OCT	19	20	21	22	23	24	25	43
	26	27	28	29	30	31	1	44
	2	3	4	5	6	7	8	45
	9	10	11	12	13	14	15	46
	16	17	18	19	20	21	22	47
NOV	23	24	25	26	27	28	29	48
	30	1	2	3	4	5	6	49
	7	8	9	10	11	12	13	50
	14	15	16	17	18	19	20	51
	21	22	23	24	25	26	27	52



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